



Ninety-Eighth Legislature - Second Session - 2004
Introducer's Statement of Intent
LB 1225

Chairperson: Kermit A. Brashear
Committee: Judiciary
Date of Hearing: February 5, 2004

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Many different types of builders and housing contractors are not required to be licensed by the State of Nebraska. If problems arise between a builder and a home buyer, no structured process outside of the courts now exists that compels the parties to deal with each other. Indeed, this failure is the source of many complaints.

LB1225 describes a 90-day process during which a person who has purchased a new home and the seller of the home can seek to resolve problems related to the construction of that home without going to court. Both purchaser and seller are defined within the bill. The process would be applicable to both newly constructed homes and remodeled homes and also to both single family dwellings and to multiunit dwellings. Problems common to a number of units in a multiunit dwelling could be grouped together for purposes of this problem solving process.

To initiate the process, a purchaser gives written notice to a seller that reasonably describes the problem. The seller must be allowed to inspect the dwelling to determine the exact nature of the problem and the extent of any required repairs. The seller then makes a written offer to the purchaser describing the repairs or replacements the seller is willing to make and the approximate timeline for completion. The seller may also offer to compensate the buyer monetarily. The process includes the ability for a purchaser to amend the list of problems if additional problems are found. Parties may extend the length of time to conduct the process by mutual agreement. Counteroffers by the parties are possible. If no solution acceptable to the parties is reached, the option of going to court is available. Applicable statutes of limitations are tolled during the time it takes to conduct this process.

A seller is required to provide notice of this process to a purchaser as part of any underlying contract. This act does not supercede alternate dispute resolution procedures that may be explicitly included in any contract.

Principal Introducer: _____
Senator David Landis
